IN THE DRAWINGS

The attached sheets of drawings include changes to Figure 2. These sheets, which include formal drawings for all the figures, replace the original sheets containing Figures 1-7D. In Figure 2, the reference numeral for the MSC was changed from 34 to 30, to correctly match the numeral given to the MSC in the specification at paragraph 0005. No other changes to the drawings have been made.

Attachment: Replacement sheets (5)

REMARKS

Claims 1-12 are pending in this application.

Claims 1-9 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,519,240 to Dillinger et al. (hereinafter "Dillinger") in view of U.S. Patent No. 5,933,421 to Alamouti et al. (hereinafter "Alamouti").

By the foregoing amendments, Applicants have corrected typographical errors in the specification and one typographical error in the drawings. Applicants have amended the title of the application in accordance with the Examiner's suggestion. Claims 1, 4, and 7 have been amended to recite the additional functionality of checking a measured interference of each potential reassignment time slot not belonging to the user service to determine whether any potential reassignment time slot has a lower interference than the highest measured interference for a time slot of the user service, and then continuing to reassign physical channels if there is at least one potential reassignment time slot having a lower interference than the highest measured interference for a time slot of the user service. New dependent claims 10-12 have been added to provide additional details regarding the improvement parameter.

Dillinger relates to a method for channel allocation in a TD/CDMA system. Time slots that are available for assignment are divided into three portions: (1) a first portion allocated to a first base station, (2) a second portion allocated to a

second base station, and (3) a third portion that can be dynamically allocated (column 2, lines 5-7 and 27-36). When assigning time slots, the method first looks to the time slot portion allocated to the base station that a mobile station is communicating with. If no time slots are available in the allocated portion, then the base station looks to the third portion of time slots to see if a dynamically-assignable time slot is available (column 5, line 54 to column 6, line 21). Dillinger does not mention reassignment of time slots, checking time slots not currently used by a user service to determine if any of those time slots have a lower measured interference, ordering the time slots other than chronologically, nor sequentially evaluating and reassigning user service physical channels based on desired reception quality, as is disclosed in independent claims 1, 4, and 7 of the present application.

Alamouti discloses a channel allocation algorithm that determines a channel candidacy assessment factor based on a direction of arrival of a signal from a remote station, a received signal strength indicator as measured at the remote station, and a signal to interference ratio as measured at the remote station (column 22, lines 43-63 and column 23, lines 10-26). Like Dillinger, Alamouti does not mention reassignment of time slots, checking time slots, or ordering the time slots, as is disclosed in independent claims 1, 4, and 7 of the present application.

Accordingly, combining the disclosures of Dillinger and Alamouti would not lead one skilled in the art to the present invention as recited in independent claims 1, 4, and 7 of the present application.

It is respectfully submitted that the amendments and remarks made herein place pending claims 1-12 in condition for allowance. Accordingly, entry of this amendment as well as reconsideration and allowance of pending claims 1-12 are respectfully requested.

If the Examiner does not believe that the claims are in condition for allowance, the Examiner is respectfully requested to contact the undersigned at 215-568-6400.

Respectfully submitted,

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SJG/slp
Enclosures (5)